

MD Catholic Conference_SB 20_FAV.pdf

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MARYLAND
CATHOLIC
CONFERENCE

January 19, 2023

SB 20

Sales and Use Tax - Tax-Free Period - Spring School Shopping

Senate Budget & Taxation Committee

Position: SUPPORT

The Maryland Catholic Conference offers this testimony in SUPPORT of Senate Bill 20. The Catholic Conference represents the public-policy interests of the three (arch)dioceses serving Maryland, which together encompass over one million Marylanders.

We offer our support for Senate Bill 20, which would expand the State's annual sales tax-free period for back-to-school shopping, which is currently limited to the time period from the second Sunday in August through the following Saturday. Senate Bill 20 would add an additional week of tax-free spring school shopping for one week annually, beginning on March 21st of each calendar year. Under this bill, the additional week of tax-free benefits for students and families would continue to apply only to items of clothing and footwear under \$100 and to the first \$40 of the cost of backpacks or bookbags.

Particularly in the lowest-income schools and districts, if parents and students were afforded increased buying power due to the money saved from a temporary sales tax reprieve, students who traditionally face challenges to being materially prepared to learn will have an increased chance of success. As such, the Catholic Conference supports this bill as an education policy that enable parents to provide more of what their students need for a successful school year.

Maryland's Catholic schools educate tens of thousands of lower and middle-income families every year. The Conference offers its support for Senate Bill 20 as a means of assisting those families, as well as those in our public schools.

SB20_FAV_MRA.pdf

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Position: FAV



**SB20 Sales and Use Tax - Tax-Free Period - Spring School Shopping
Budget and Taxation Committee
January 19, 2023**

Position: Favorable

Background: SB20 would establish a tax-free period in March of each year for Spring school shopping.

Comments: The Maryland Retailers Association (MRA) strongly supports the establishment of an annual sales tax holiday for Spring school shopping in March. Periods of sales tax exemption provide powerful promotional opportunities for businesses in Maryland and provide relief to many families with carefully planned budgets. These tax-free weeks encourage consumers to shop at local brick-and-mortar stores, supporting businesses that employ Marylanders and are invested in their communities. Exempting clothing, shoes, and backpacks from the sales tax for a full week in the Spring will provide households with an opportunity to save money on necessary purchases for a new season in addition to the tax-free week in August.

MRA has historically partnered with the Office of the Comptroller to promote the annual back-to-school tax-free week in August and Shop Energy Weekend in February and would continue that collaboration to ensure the success of an additional tax-free period in March.

Thank you for your consideration. We would urge the Committee's favorable vote on SB20.